Item 8: Proforma working papers and supporting lead schedule and checklist

Reference: Section 3.3.6 (page 59).

Well structured and complete working papers are essential to support and validate the financial statements. The following pro formas can be used to assist in providing a reference to all relevant documents that support each financial statements item or note. Each pro forma should be tailored to meet the entity’s particular circumstances as they do not necessarily cover all matters that an entity may wish to include.

**Proforma working papers cover sheet**

A cover sheet outlines key working papers for each financial statements item and/or note to provide a structure for organising the working papers and to help the ready identification of significant matters.

**Proforma completion checklist**

A completion checklist is used as a verification control tool for the Finance Team when undertaking a review of the financial statements:

- during the planning phase
- prior to providing the working papers to the ANAO, and
- before finalising the statements prior to signing.

**Proforma lead schedule**

A lead schedule serves as a systematic means of providing assurance to management that all figures are complete, accurate, supported by evidence; the balances have been reviewed; variances from previous years and budgets are explained; and reviews and sign-offs have been completed.

### 8A Working papers cover sheet

<table>
<thead>
<tr>
<th>Description</th>
<th>Workpaper Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Completion checklist</td>
<td></td>
</tr>
<tr>
<td>2. Lead schedule (including sign-off)</td>
<td></td>
</tr>
<tr>
<td>3. Working papers supporting lead schedule</td>
<td></td>
</tr>
<tr>
<td>4. Financial statements note disclosure</td>
<td></td>
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<tr>
<td>5. Audit findings and remedial actions</td>
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<tr>
<td>6. Compliance and legal issues</td>
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<td>7. Quality control and assurance</td>
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<tr>
<td>8. Other work performed</td>
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</tr>
<tr>
<td>9. Matters for next financial year</td>
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<tr>
<td>10. Background information</td>
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</tbody>
</table>
## Completion checklist

**[Entity’s name] Financial Statements [current financial year]**

**FINANCIAL STATEMENTS ITEM/NOTE NO:**

### Account Codes: Refer to Lead Schedule at:

<table>
<thead>
<tr>
<th>Completion checklist</th>
<th>Wp ref</th>
<th>Explanation comments</th>
</tr>
</thead>
</table>

### Planning

Risk management and planning decisions revised as necessary.

Ensure that any data requested from the Business Areas has been:

- received by the due date and follow up if not received, and
- checked by the Finance Team for reasonableness and consistency with other related items in the financial statements.

Ensure that issues raised by audit have been resolved or remedial actions in place.

Assess the impact of issues raised during the Compliance Reporting process on the item.

Ensure all required external confirmations and/or statements have been received and checked.

Review Finance requirements for Australian Government CFS and ensure that any additional information required is obtained for submission by due date.

### Preparation

Agree lead schedule to financial statements.

Agree lead schedule to trial balance.

Ensure that the comparative amounts in the current financial statements match figures in last year’s annual report.

Complete relevant addition and validation checks. Complete cross referencing to supporting documents and schedules.

Complete analytical review

- (+/-5% to prior year)*
- (+/-2% to budget)*
- (trend analysis)

Verify to supporting documentation (attached).

Ensure compliance with FRR requirements.

* These percentages will vary, depending on management’s assessment of risk and materiality.
Ensure that all material matters have been adequately disclosed. Are the figures complete, accurate and valid?

Ensure that all adjustments have been resolved. Update the Accounting Adjustments Register, if applicable.

Consider whether the format is consistent with the FRR, the Commonwealth Financial Statements Preparation Guide, PRIMA Forms of Financial Statements (PRIMA Forms) and PRIMA Illustrative Financial Statements (PRIMA Illustrative) issued by Finance. Include narratives if applicable.

Ensure the lead schedule is signed off.

8C Lead schedule

<table>
<thead>
<tr>
<th>Account Code</th>
<th>Name</th>
<th>Source</th>
<th>Actual Current Yr</th>
<th>Actual Last Yr</th>
<th>Variance from Last Yr</th>
<th>Budget Current Yr</th>
<th>Variance from Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
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<td>%</td>
<td>$</td>
<td>%</td>
</tr>
</tbody>
</table>

Total

Analytical review/comments

Sign-off
Completed checklist (attached)

Prepared by: Time and Date: Reviewed and Approved by: Time and Date: Management Sign-off: Time and Date: